GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:71
ANSWERED ON:17.02.2009
LOW EXPORTS BY SEZS
Singh Shri Suraj;Suman Shri Ramji Lal

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the exports by units in Special Economic Zones (SEZs) are not upto the expectations;

(b) if so, the details thereof alongwith reaction of the Government thereto indicating the quantity and value of imports and exports by different SEZs during each of the last three years and the current year, State-wise; and

(c) the quantum of financial relief in terms of tax rebate provided to these units during the said period, State-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) &(b): Exports from Special Economic Zones

(Rs. In crores)

2006-07	2007-08	2008-09(upto September 2008)
34614.56	66637.6821	48838.2

(c) In terms of SEZ Act and Rules, the following tax concessions are allowed to the SEZ Units:-

Duty free import/domestic procurement of goods for development, operation and maintenance of SEZ units.

100% Income Tax exemption on export income for SEZ units under Section 10AA of the Income Tax Act for first 5 years, 50% for next 5 years thereafter and 50% of the ploughed back export profit for next 5 years.

Exemption from minimum alternate tax under Section 115JB of the Income Tax Act.

External commercial borrowing by SEZ units upto US$500 million in a year without any maturity restriction through recognized banking channels.

Exemption from Central Sales Tax.

Exemption from Service Tax.